

Introduced by Senator RunnerFebruary 23, 2006

An act relating to housing.

LEGISLATIVE COUNSEL'S DIGEST

SB 1477, as introduced, Runner. Owner-occupied housing.

Existing regulates residential housing and permits property owners to require by contract that people purchasing a house in a development reside in the house. Existing law defines fraud as, among other things, an act committed by a party to a contract, or with his or her connivance, to induce another person to enter the contract with a suggestion of something as a fact which is not true, with an intent to deceive.

This bill would state the intent of the Legislature to enact legislation to address the problems associated with absentee landlords, including mortgage fraud and more effective enforcement of contracts requiring owners occupy their houses.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. (a) The Legislature finds and declares the
- 2 following:
- 3 (1) A concentration of absentee landlords can lead to
- 4 neglected properties and the deterioration of neighborhoods.
- 5 (2) Mortgage fraud is one of the fastest growing white collar
- 6 crimes in the United States and includes purposefully providing
- 7 misinformation on home loan applications, such as falsely
- 8 declaring that a home will be owner-occupied.

1 (3) Many single-family housing developments require buyers
2 to sign owner-occupied contracts, stipulating that the buyer will
3 occupy the house for a specified period of time.

4 (4) Many absentee landlords violate these owner-occupied
5 contracts when purchasing residential properties.

6 (b) It is the intent of the Legislature to enact legislation to
7 address the problems associated with absentee landlords,
8 including, but not limited to, mortgage fraud and more effective
9 enforcement of contracts requiring owners occupy their houses.